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FEDERAL COMMUNICATIONS COMMISSION RELEASES DATA ON HIGH-SPEED SERVICES FOR INTERNET ACCESS

High-Speed Connections to the Internet Increased by 33% in 2005

Washington, D.C. – The Federal Communications Commission (FCC) today released new data on high-speed connections to the Internet in the United States. Twice a year, all facilities-based broadband providers are required to report to the Commission basic information about their service offerings and types of customers pursuant to the FCC's local telephone competition and broadband data gathering program (FCC Form 477). Statistics released today reflect data as of December 31, 2005.

For reporting purposes, *high-speed lines* are connections that deliver services at speeds exceeding 200 kilobits per second (kbps) in at least one direction, while *advanced services lines* are connections that deliver services at speeds exceeding 200 kbps in both directions. The June 2005 and December 2005 data provide more information about the "speeds" of advanced services lines and finer distinctions among technologies than previously reported. They also enable estimation of the extent to which high-speed Digital Subscriber Line (DSL) connections are available to households residing in the areas served by incumbent local exchange carriers (incumbent LECs) and the extent to which high-speed cable modem service is available to households residing in the areas served by cable TV systems.

1) <u>High-Speed Lines</u>

- High-speed lines, which encompass advanced services lines and also lines that deliver services at speeds exceeding 200 kbps in one, but not both, directions, increased by 18% during the second half of 2005, from 42.4 million to 50.2 million lines in service, compared to a 12% increase, from 37.9 million to 42.4 million lines, during the first half of 2005. For the full twelve month period ending December 31, 2005, high-speed lines increased by 33% (or 12.3 million lines).
- Of the 50.2 million total high-speed lines reported as of December 31, 2005, 42.9 million served primarily residential end users. Cable modem service represented 57.5% of these lines while 40.5% were asymmetric DSL (ADSL) connections, 0.3% were symmetric DSL (SDSL) or traditional wireline connections, 0.5% were fiber connections to the end user premises, and 1.2% used other types of technology

- including satellite, terrestrial fixed or mobile wireless (on a licensed or unlicensed basis), and electric power line.
- For the first time in our data collection, the increase in ADSL lines exceeded the increase in cable modem connections. ADSL increased by 3.2 million lines during the second half of 2005 compared to an increase of 1.6 million lines for cable modem service. For the full year, ADSL increased by 5.7 million lines compared to an increase of 4.2 million lines for cable modem service.

2) Advanced Services Lines

- Advanced services lines, which deliver services at speeds exceeding 200 kbps in both directions, increased by 15% during the second half of 2005, from 37.3 million to 42.8 million, compared to a 29% increase, from 28.9 million to 37.3 million lines, during the first half of 2005. For the full twelve month period ending December 31, 2005, advanced services lines increased 48% (or 13.9 million lines).
- Of the 42.8 million advanced services lines reported as of December 31, 2005, 62.3% were at least 2.5 mbps in the faster direction and 37.7% were slower than 2.5 mbps in the faster direction.
- Of the 42.8 million advanced services lines, 39.3 million served primarily residential end users. Cable modem service represented 62.4% of these lines while 36.2% were ADSL connections, 0.3% were SDSL or traditional wireline connections, 0.5% were fiber connections to the end user premises, and 0.5% used other types of technology including satellite, terrestrial fixed or mobile wireless (on a licensed or unlicensed basis), and electric power line.

3) Geographic Coverage

- As a nationwide average, we estimate that high-speed DSL connections were available to 78% of the households to whom incumbent LECs could provide local telephone service as of December 31, 2005, and that high-speed cable modem service was available to 93% of the households to whom cable system operators could provide cable TV service.
- Providers list the Zip Codes in which they have at least one high-speed connection in service to an end user, and 99% of Zip Codes were listed by at least one provider. Our analysis indicates that more than 99% of the nation's population lives in those Zip Codes. The most widely reported technologies by this measure were satellite (with at least some presence reported in 88% of Zip Codes), ADSL (in 82% of Zip Codes), and cable modem (in 57% of Zip Codes). ADSL and/or cable modem connections were reported to be present in 87% of Zip Codes.

The summary statistics released today also include state-by-state information, and population density and household income information ranked by Zip Codes. As additional information becomes available, it will be posted on the Commission's Internet site.

The report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, SW, Washington, DC. Copies may be purchased by calling

Best Copy and Printing, Inc. at (800) 378-3160. The report can also be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at www.fcc.gov/wcb/stats.

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